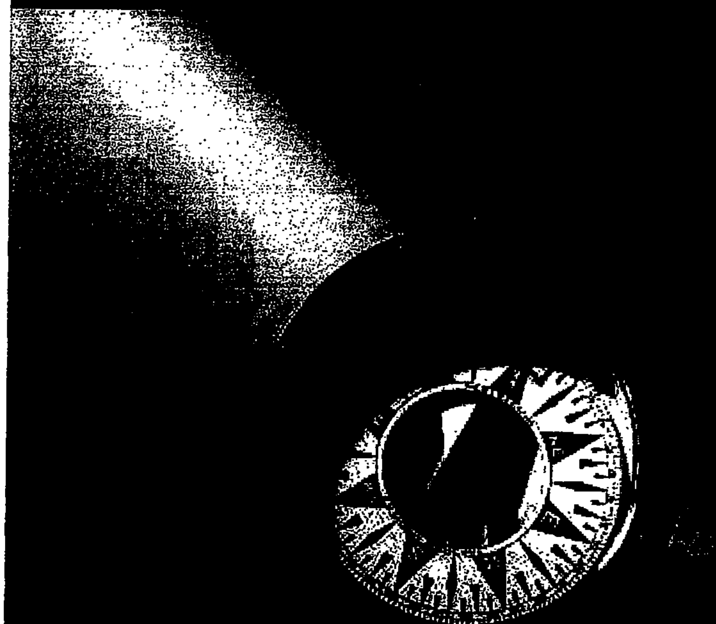
TAB 9

Putnam Voyager Fund

SEMIANNUAL REPORT ON PERFORMANCE AND OUTLOOK



From the Trustees

John A. Hill and
George Putnam, III

Dear Fellow Shareholder:

During the past several months, Putnam has introduced a number of reforms for the benefit of shareholders, including increasing the amount of disclosure for our funds. We are now including additional disclosure about your fund's management team. Following the Outlook for Your Fund, we provide manager compensation information that pertains to your fund and list any changes in your fund's Portfolio Leader and Portfolio Members during the prior year period, as well as these individuals' other fund management responsibilities at Putnam. We also show how much the members of Putnam's Executive Board have invested in the fund (in dollar ranges). In equity fund reports, we now list the largest brokerage relationships of your fund following the Notes to the Financial Statements. Finally, on page 17, we provide certain information about the most recent approval of your fund's management contract with Putnam by the Trustees.

We are also pleased to announce that three new Trustees have joined your fund's Board of Trustees. Nominated by your fund's independent Trustees, these individuals have had outstanding careers as leaders in the investment management industry. Myra R. Drucker is a Vice Chair of the Board of Trustees of Sarah Lawrence College and serves as ex-officio member and past Chair of the New York Stock Exchange (NYSE) Pension Managers Advisory Committee and as a Trustee of Commonfund, a not-for-profit asset management firm. Richard B. Worley is Managing Partner of Permit Capital LLC, an investment management firm. Both Ms. Drucker and Mr. Worley are independent Trustees (i.e., Trustees who are not "interested persons" of your fund or its investment advisor). Charles E. Haldeman, Jr., the third new Trustee, is President and Chief Executive Officer of Putnam Investments. We also announce the departure of one of your fund's Trustees, A.J.C. Smith, formerly Chairman of Putnam Investments and Consultant to Marsh & McLennan Companies, Inc.

In the following pages, your fund's management team discusses performance, strategy, and its outlook for the remainder of fiscal 2005.

Respectfully yours,

John A. Hill
Chairman of the Trustees

George Putnam, III
President of the Funds

March 16, 2005

Report from Fund Management

Fund highlights

- For the six months ended January 31, 2005, Putnam Voyager Fund's class A shares had a total return of 5.88% without sales charges and 0.31% with maximum sales charges reflected.
- The fund's benchmark, the Russell 1000 Growth Index, returned 6.01% for the period.
- The average return for the fund's Lipper category, Large-Cap Growth funds, was 7.42%.
- See the Performance Summary beginning on page 9 for additional fund performance, comparative performance, and Lipper data.

Performance commentary

During the first half of its 2005 fiscal year, your fund achieved positive results and joined in the stock market rally that followed the national election on November 2. Your fund performed in line with its benchmark index, the Russell 1000 Growth Index, based on results at net asset value (NAV), but underperformed the average for its Lipper peer group of Large-Cap Growth Funds. We maintained the portfolio's bias toward high-quality stocks, targeting companies with strong sustainable earnings growth and cash flows. However, stocks with these characteristics were not market leaders during the semiannual period. Furthermore, the fund's emphasis on very large companies was detrimental to relative results, because mid-capitalization stocks delivered stronger performance.

TOTAL RETURN FOR PERIODS ENDED 1/31/05

Class A (inception 4/1/69)	NAV	POP
6 months	5.88%	0.31%
1 year	-1.05	-6.26
5 years	-38.38	-41.60
Annual average	-9.23	-10.20
10 years	129.92	117.84
Annual average	8.68	8.10
Annual average (life of fund)	11.62	11.45

Data is historical. Past performance does not guarantee future results. More recent returns may be less or more than those shown. Investment return and principal value will fluctuate and you may have a gain or a loss when you sell your shares. Performance assumes reinvestment of distributions and does not account for taxes. Returns at NAV do not reflect a sales charge of 5.25%. For the most recent month-end performance, visit www.putnaminvestments.com. A short-term trading fee of up to 2% may apply.

FUND PROFILE

Putnam Voyager Fund seeks capital appreciation by investing in stocks of companies believed to offer above-average growth potential. The fund invests in a diversified portfolio of large and midsize companies across a range of industries. The fund targets companies with sales and profits that Putnam believes are likely to grow faster than the overall economy. The fund may be appropriate for investors seeking growth of capital and broad exposure to growth-oriented companies.

Market overview

The highlight of the six-month period that ended January 31, 2005, was a strong rally in November and December on the heels of the election. The market had anticipated two large risks connected with the election — the possibility of a terrorist event and the possibility of a disputed outcome, as occurred in 2000. Given these risks, the market had been flat in the months before the vote, even as the economy performed relatively well. The quick, clear outcome to the election caused relief, and the re-election of an incumbent also resolved any uncertainty regarding the course of government economic policies.

While these general conditions were supportive for the portfolio, the market continued to favor small- and mid-capitalization stocks over the large-cap stocks we emphasize. Furthermore, within the universe of large caps, the market had bid up the prices of companies with relatively slower or more cyclical earnings growth patterns, rather than companies with above-average growth rates. We believe this trend has to do with the high levels of liquidity that are allowing investors to take somewhat greater risks. As a result, they are more likely to invest in companies that are somewhat smaller and less consistent in meeting their earnings expectations, in the hope that these businesses will produce an occasional positive earnings surprise to boost performance.

In terms of sectors, technology and health care, the two largest sectors in the growth universe, advanced. However, in the technology sector, many semiconductor companies had a difficult period because capital investments have resulted in new price competition for the industry. In the health-care sector, pharmaceutical stocks declined because of political pressures regarding drug prices, the impending expirations of patents on many profitable products, and safety concerns about pain-relieving drugs that rely on COX-2 inhibitors.

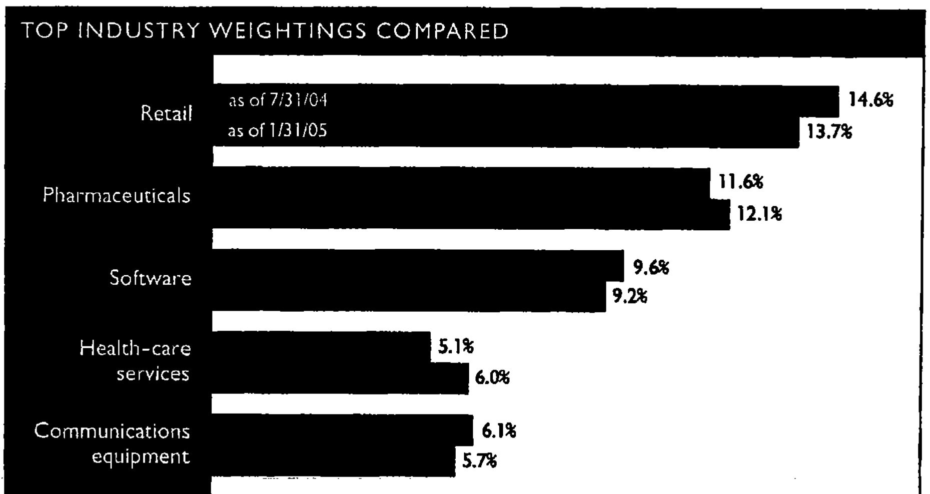
MARKET SECTOR PERFORMANCE 6 MONTHS ENDED 1/31/05	
Equities	
Russell 1000 Growth Index (large-company growth stocks)	6.01%
MSCI EAFE Index (international stocks)	16.68%
Russell 2000 Index (small-company stocks)	13.88%
S&P 500 Index (broad stock market)	8.16%
Bonds	
Lehman Aggregate Bond Index (broad bond market)	3.81%
Lehman Government Bond Index (U.S. Treasury and agency securities)	3.30%
JP Morgan Global High Yield Index (global high-yield corporate bonds)	7.72%

These indexes provide an overview of performance in different market sectors for the six months ended 1/31/05.

Strategy overview

We continued our strategy of emphasizing stocks of what we consider high-quality growth companies. For us, key indicators of a company's quality are sales and earnings growth that are above the average for the stock market and appear likely to be sustained for many quarters. A related characteristic is the ability to generate free cash flow, which we believe is a sign that a company is a dominant competitor and is well managed. We favor these companies because we believe their stocks tend to have the best long-term capital appreciation potential, and because we think they can maintain their advantages even if the overall economy slows, as it has begun to do. Most of the stocks that met our criteria during the period were extremely large companies, which are sometimes called mega-capitalization stocks.

In terms of sectors, the fund was broadly diversified. The portfolio had a significant overweight — relative to the benchmark index — in the health-care sector. We maintained an overweight position in this sector, but adjusted the mix of health-care holdings as pharmaceutical stocks underperformed and managed care and medical device companies looked more attractive. The portfolio also had a small overweight in the technology sector, with large holdings in both hardware and software companies. We maintained small overweights in the energy and utilities sectors, which are relatively small sectors in our benchmarks. Stocks in these sectors benefited from growth opportunities as energy prices remained high during the period. We also found many opportunities that we considered attractive in the consumer staples sector.



This chart shows how the fund's top weightings have changed over the last six months. Weightings are shown as a percentage of net assets. Holdings will vary over time.

How fund holdings affected performance

The portfolio's strengths during the period resulted from our stock selection decisions in several sectors, but especially in health care and consumer staples. **Johnson & Johnson** became the fund's largest holding at the end of the period because of market performance and because we added to the position based on our confidence that the company's diverse mix of products will help sustain its growth. These products range from simple bandages to advanced medical devices such as cardiac stents. In addition, Johnson & Johnson's management team has had excellent results in beating sales growth expectations. Another strong performer in the same sector was **UnitedHealth Group**, which, like many managed care companies, has exceeded growth expectations and has benefited from favorable trends in pricing and Medicare reimbursements.

In the pharmaceuticals industry, the fund benefited from having only minimal exposure to Merck, which underperformed the index by a large margin because it had to pull its pain reliever Vioxx from the market because of safety concerns. (We subsequently sold the position.) However, **Pfizer**, one of the fund's top ten holdings and an overweight position relative to the benchmark, declined during the period and detracted from results, though Pfizer's pain-relief product has not been shown to be unsafe.

TOP HOLDINGS
(Percent of fund's net assets as of 1/31/05)

1	**Johnson & Johnson (6.0%)** Pharmaceuticals
2	**Microsoft Corp. (4.5%)** Software
3	**Cisco Systems, Inc. (3.1%)** Communications equipment
4	**Pfizer, Inc. (3.0%)** Pharmaceuticals
5	**Home Depot, Inc. (The) (3.0%)** Retail
6	**Intel Corp. (2.8%)** Electronics
7	**Dell, Inc. (2.7%)** Computers
8	**Wal-Mart Stores, Inc. (2.5%)** Retail
9	**Boeing Co. (The) (2.4%)** Aerospace and defense
10	**Qualcomm, Inc. (2.3%)** Communications equipment

The fund's holdings will change over time.

Technology holdings had a slight negative impact on relative performance, though our stock selection in the sector was generally helpful. We had overweight positions in several software stocks — **Adobe, Oracle,** and **Autodesk** — that appreciated significantly. Adobe's sales have exceeded expectations, and the company has raised its forecasts for revenues from its Photoshop and Creative Suite products. Oracle performed well as it became clear that the company was regaining share

in the market for database software. Autodesk has also had stronger earnings recently and has improved sales momentum in its design software business. **Microsoft**, another fund holding, had flat performance, but the fund benefited from its share of the company's special one-time dividend in December, in which it paid a total of $32 billion, the largest corporate dividend in history. Among holdings in hardware companies, **Dell** performed well, but **Intel** weakened, reflecting the more challenging market for semiconductors. Technology holdings that lagged included **Cisco Systems** and **Texas Instruments**. Cisco Systems met its earnings forecasts, as we had believed it would, but investors punished the stock because the company's inventory of unsold products increased. With regard to Texas Instruments, we reduced the fund's position because we were concerned about its earnings situation; but subsequently, when the fund had underweight exposure to the stock, it rallied after a reasonable earnings report.

A holding in **Altria**, a consumer staples company that is not in the fund's benchmark, contributed solid gains to the portfolio. The company's tobacco business has an improving outlook, and the market is responding favorably to the prospect of spinning off the company's Kraft Foods as a separate business. In the energy sector, an overweight position in **Valero Energy**, an oil refiner, outperformed during the period because the value of the company's oil reserves increased. In the utilities sector, **Edison International**, an overweight position, contributed positively to the fund's results. Edison beat its earnings expectations because of solid business results, particularly in California, and higher gas prices.

Please note that all holdings discussed in this report are subject to review in accordance with the fund's investment strategy and may vary in the future.

The outlook for your fund

The following commentary reflects anticipated developments that could affect your fund over the next six months, as well as your management team's plans for responding to them.

As we begin the second half of the fund's 2005 fiscal year, we remain optimistic for the market and confident in the portfolio's potential for appreciation. The fund's holdings are leading companies with a demonstrated ability to deliver consistent earnings growth. While the stock market has not rewarded these companies with outsized gains recently, we believe these are the right stocks to deliver long-term capital appreciation. We also believe the fund is well positioned for the short run, since we expect economic growth to remain at or slightly below its recent pace. The government announced that gross domestic product expanded at a rate of 3.8% in the final three months of calendar year 2004. While this indicates the economy is healthy, its rate of expansion has declined over the past year. With the expansion remaining in a low gear and with business competition likely to become fiercer, our portfolio favors very large companies that we believe have financial muscle and the ability to execute their business plans competently. Also, as short-term interest rates continue to rise, smaller competitors might find financing conditions more difficult, and the market will have less liquidity to take risks on weaker companies. We believe that the fund's ability to keep pace with its benchmark index during the past semiannual period indicates that the market is starting to favor the same qualities in stocks, such as sustainable growth, that we have been emphasizing. We will continue to rely on our research with fundamental and quantitative tools to identify and invest in high-quality growth stocks.

The views expressed in this report are exclusively those of Putnam Management. They are not meant as investment advice. The fund invests some or all of its assets in small and/or midsize companies. Such investments increase the risk of greater price fluctuations.

Your fund's management

Your fund is managed by the members of the Putnam Large-Cap Growth Team. Robert Ginsberg and Kelly Morgan are the Portfolio Leaders and Saba Malak is a Portfolio Member of your fund. The Portfolio Leaders and Portfolio Member coordinate the team's management of the fund.

For a complete listing of the members of the Putnam Large-Cap Growth Team, including those who are not Portfolio Leaders or Portfolio Members of your fund, visit Putnam's Individual Investor Web site at www.putnaminvestments.com.

Changes in your fund's Portfolio Leaders and Portfolio Members

After the close of the period, Robert Ginsberg and Kelly Morgan became Portfolio Leaders and Saba Malak became a Portfolio Member of your fund, replacing Portfolio Leader Brian O'Toole and Portfolio Member David Santos. During the year ended January 31, 2005, Portfolio Members Tony Elavia and Walt Pearson left your fund's management team.

Fund manager compensation

The total 2004 fund manager compensation that is attributable to your fund is approximately $2,900,000. This amount includes a portion of 2004 compensation paid by Putnam Management to the fund managers listed in this section for their portfolio management responsibilities, calculated based on the fund assets they manage as a percentage of the total assets they manage. The compensation amount also includes a portion of the 2004 compensation paid to the Chief Investment Officer of the team and the Group Chief Investment Officer responsible for the fund's broader investment category for their oversight responsibilities, calculated based on the fund assets they oversee taken as a percentage of the total assets they oversee. These percentages are determined as of the fund's fiscal period-end. For personnel who joined Putnam Management during or after 2004, the calculation reflects annualized 2004 compensation or an estimate of 2005 compensation, as applicable.

Your fund's management (continued)

Other Putnam funds managed by the Portfolio Leaders and Portfolio Member

Robert Ginsberg is also a Portfolio Leader of Putnam Voyager Fund and a Portfolio Member of Putnam Discovery Growth Fund.

Kelly Morgan is also a Portfolio Leader of Putnam Research Fund and Putnam Voyager Fund.

Saba Malak is also a Portfolio Member of Putnam Voyager Fund.

Robert Ginsberg, Kelly Morgan, and Saba Malak may also manage other accounts and variable trust funds advised by Putnam Management or an affiliate.

Fund ownership

The table below shows how much the members of Putnam's Executive Board have invested in the fund (in dollar ranges). Information shown is for the current and prior year ended January 31. Beginning with the next annual report, fund ownership information will also be shown for Putnam Voyager Fund's new management team.

PUTNAM EXECUTIVE BOARD

	Year	$0	$1 – $10,000	$10,001 – $50,000	$50,001– $100,000	$100,001 and over
Philippe Bibi	2005	•				
Chief Technology Officer	2004	•				
John Boneparth	2005			•		
Head of Global Institutional Mgmt	2004					•
Joshua Brooks	N/A					
Deputy Head of Investments	N/A					
Kevin Cronin	2005	•				
Head of Investments	N/A					
Charles Haldeman, Jr.	2005			•		
President and CEO	2004	•				
Amrit Kanwal	2005				•	
Chief Financial Officer	N/A					
Steven Krichmar	2005					•
Chief of Operations	N/A					
Francis McNamara, III	2005				•	
General Counsel	N/A					
Richard Monaghan	2005					•
Head of Retail Management	2004					•
Richard Robie, III	2005	•				
Chief Administrative Officer	N/A					
Edward Shadek	N/A					
Deputy Head of Investments	N/A					

N/A indicates the individual joined Putnam's Executive Board after the reporting date.

Performance summary

This section shows your fund's performance during the first half of its fiscal year, which ended January 31, 2005. In accordance with regulatory requirements, we also include performance for the most current calendar quarter-end. Performance should always be considered in light of a fund's investment strategy. Data represents past performance. Past performance does not guarantee future results. More recent returns may be less or more than those shown. Investment return and principal value will fluctuate and you may have a gain or a loss when you sell your shares. For the most recent month-end performance, please visit www.putnaminvestments.com.

TOTAL RETURN FOR PERIODS ENDED 1/31/05

(inception date)	Class A (4/1/69)		Class B (4/27/92)		Class C (7/26/99)		Class M (12/1/94)		Class R (1/21/03)
	NAV	POP	NAV	CDSC	NAV	CDSC	NAV	POP	NAV
6 months	5.88%	0.31%	5.50%	0.50%	5.56%	4.56%	5.60%	1.89%	5.77%
1 year	-1.05	-6.26	-1.82	-6.73	-1.79	-2.77	-1.57	-5.04	-1.30
5 years	-38.38	-41.60	-40.65	-41.66	-40.64	-40.64	-39.91	-42.00	-39.09
Annual average	-9.23	-10.20	-9.91	-10.22	-9.90	-9.90	-9.68	-10.32	-9.44
10 years	129.92	117.84	113.34	113.34	113.45	113.45	118.85	111.16	124.42
Annual average	8.68	8.10	7.87	7.87	7.88	7.88	8.15	7.76	8.42
Annual average (life of fund)	11.62	11.45	10.61	10.61	10.78	10.78	10.90	10.79	11.34

Performance assumes reinvestment of distributions and does not account for taxes. Returns at public offering price (POP) for class A and M shares reflect a sales charge of 5.25% and 3.50%, respectively. Class B share returns reflect the applicable contingent deferred sales charge (CDSC), which is 5% in the first year, declining to 1% in the sixth year, and is eliminated thereafter. Class C shares reflect a 1% CDSC the first year that is eliminated thereafter. Class R share returns have no initial sales charge or CDSC. Performance for class B, C, M, and R shares before their inception is derived from the historical performance of class A shares, adjusted for the applicable sales charge (or CDSC) and higher operating expenses for such shares.

A 2% short-term trading fee may be applied to shares exchanged or sold within 5 days of purchase.

COMPARATIVE INDEX RETURNS FOR PERIODS ENDED 1/31/05	Russell 1000 Growth Index*	S&P 500 Index*	Lipper Large-Cap Growth Funds category average†
6 months	6.01%	8.16%	7.42%
1 year	0.70	6.23	1.73
5 years	-37.73	-8.55	-33.10
Annual average	-9.04	-1.77	-8.06
10 years	136.54	197.25	121.91
Annual average	8.99	11.51	8.07
Annual average (life of fund)	—	—	9.00

Index and Lipper results should be compared to fund performance at net asset value.

* The inception date of the Russell 1000 Growth Index was December 31, 1978, and the inception date of the S&P 500 Index was December 31, 1969. Both were after the fund's inception.

† Over the 6-month and 1-, 5-, and 10-year periods ended 1/31/05, there were 685, 661, 424, and 138 funds, respectively, in this Lipper category.

TOTAL RETURN FOR PERIODS ENDED 12/31/04 (MOST RECENT CALENDAR QUARTER)	Class A		Class B		Class C		Class M		Class R
(inception date)	(4/1/69)		(4/27/92)		(7/26/93)		(12/1/94)		(1/21/03)
	NAV	POP	NAV	CDSC	NAV	CDSC	NAV	POP	NAV
6 months	3.30%	-2.12%	2.98%	-2.03%	2.90%	1.90%	3.03%	-0.57%	3.18%
1 year	4.79	-0.72	4.01	-0.99	3.98	2.97	4.27	0.64	4.55
5 years	-38.05	-41.31	-40.31	-41.33	-40.33	-40.33	-39.61	-41.73	-38.78
Annual average	-9.13	-10.11	-9.80	-10.11	-9.81	-9.81	-9.59	-10.24	-9.35
10 years	139.01	126.43	121.61	121.61	121.79	121.79	127.37	119.37	133.27
Annual average	9.10	8.52	8.28	8.28	8.29	8.29	8.56	8.17	8.84
Annual average (life of fund)	11.76	11.59	10.75	10.75	10.92	10.92	11.04	10.93	11.48

PRICE AND DISTRIBUTION* INFORMATION 6 MONTHS ENDED 1/31/05	Class A		Class B	Class C	Class M		Class R
[illegible]							
7/31/04	$15.13	$15.97	$13.28	$14.58	$14.28	$14.80	$15.08
1/31/05	16.02	16.91	14.01	15.39	15.08	15.63	15.95

* The fund made no distributions during the period.

Understanding your fund's expenses

As a mutual fund investor, you pay ongoing expenses, such as management fees, distribution fees (12b-1 fees), and other expenses. Using the information below, you can estimate how these expenses affect your investment and compare them with the expenses of other funds. You may also pay one-time transaction expenses, including sales charges (loads) and redemption fees, which are not shown in this section and would have resulted in higher total expenses. For more information, see your fund's prospectus or talk to your financial advisor.

Review your fund's expenses

The table below shows the expenses you would have paid on a $1,000 investment in Putnam Voyager Fund from August 1, 2004, to January 31, 2005. It also shows how much a $1,000 investment would be worth at the close of the period, assuming *actual returns* and expenses.

EXPENSES AND VALUE OF A $1,000 INVESTMENT

	Class A	Class B	Class C	Class M	Class R
Expenses paid per $1,000*	$ 5.66	$ 9.53	$ 9.53	$ 8.24	$ 6.95
Ending value (after expenses)	$1,058.80	$1,055.00	$1,055.60	$1,056.00	$1,057.70

* Expenses for each share class are calculated using the fund's annualized expense ratio for each class, which represents the ongoing expenses as a percentage of net assets for the six months ended 1/31/05. The expense ratio may differ for each share class (see the table at the bottom of the next page). Expenses are calculated by multiplying the expense ratio by the average account value for the period; then multiplying the result by the number of days in the period; and then dividing that result by the number of days in the year.

Estimate the expenses you paid

To estimate the ongoing expenses you paid for the six months ended January 31, 2005, use the calculation method below. To find the value of your investment on August 1, 2004, go to www.putnaminvestments.com and log on to your account. Click on the "Transaction History" tab in your Daily Statement and enter 08/01/2004 in both the "from" and "to" fields. Alternatively, call Putnam at 1-800-225-1581.

HOW TO CALCULATE THE EXPENSES YOU PAID

Value of your investment on 8/1/04	÷	$1,000	X	Expenses paid per $1,000	=	Total expenses paid
Example *Based on a $10,000 investment in class A shares of your fund.*						
$10,000	÷	$1,000	X	$5.66 *(see table above)*	=	$56.60

Comparing your fund's expenses with those of other funds

Using the SEC's method to compare expenses

The Securities and Exchange Commission (SEC) has established guidelines to help investors assess fund expenses. Per these guidelines, the table below shows your fund's expenses based on a $1,000 investment, assuming a *hypothetical 5% annualized return*. You can use this information to compare the ongoing expenses (but not transaction expenses or total costs) of investing in the fund with those of other funds. All mutual fund shareholder reports will provide this information to help you make this comparison. Please note that you cannot use this information to estimate your actual ending account balance and expenses paid during the period.

EXPENSES AND VALUE OF A $1,000 INVESTMENT

	Class A	Class B	Class C	Class M	Class R
Expenses paid per $1,000*	$ 5.55	$ 9.35	$ 9.35	$ 8.08	$ 6.82
Ending value (after expenses)	$1,019.71	$1,015.93	$1,015.93	$1,017.19	$1,018.45

* Expenses for each share class are calculated using the fund's annualized expense ratio for each class, which represents the ongoing expenses as a percentage of net assets for the six months ended 1/31/05. The expense ratio may differ for each share class (see the table at the bottom of this page). Expenses are calculated by multiplying the expense ratio by the average account value for the period; then multiplying the result by the number of days in the period; and then dividing that result by the number of days in the year.

Using industry averages to compare expenses

You can also compare your fund's expenses with industry averages, as determined by Lipper, an independent fund-rating agency that ranks funds relative to others that Lipper considers to have similar investment styles or objectives. The expense ratio for each share class shown below indicates how much of your fund's net assets have been used to pay ongoing expenses during the period.

EXPENSE RATIO COMPARISONS USING ANNUALIZED DATA

	Class A	Class B	Class C	Class M	Class R
Your fund's annualized expense ratio	1.09%	1.84%	1.84%	1.59%	1.34%
Average annualized expense ratio for Lipper peer group†	1.40%	2.15%	2.15%	1.90%	1.65%

† Average of the expenses of front-end load funds viewed by Lipper as having the same investment classification or objective as the fund, as of 12/31/04, calculated in accordance with Lipper's standard reporting methodology for comparing expenses within a given universe (excluding 12b-1 fees and without giving effect to any expense offset and brokerage service arrangements that may reduce fund expenses). To facilitate comparison, Putnam has adjusted this average to reflect the 12b-1 fees carried by each class of shares. The peer group may include funds that are significantly larger or smaller than the fund, which may limit the comparability of the fund's expenses to the Lipper average.

Understanding your fund's portfolio turnover

Putnam funds are actively managed by teams of experts who buy and sell securities based on intensive analysis of companies, industries, economies, and markets. Portfolio turnover is a measure of how often a fund's managers buy and sell securities for your fund. A portfolio turnover of 100%, for example, means that the managers sold and replaced securities valued at 100% of a fund's assets within a one-year period. Funds with high turnover may be more likely to generate capital gains and dividends that must be distributed to shareholders as taxable income. High turnover may also cause a fund to pay more brokerage commissions and other transaction costs, which may detract from performance.

TURNOVER COMPARISONS

	2004	2003	2002	2001	2000
Putnam Voyager Fund	46%	62%	91%	140%	77%
Lipper Large-Cap Growth Funds category average	99%	100%	104%	102%	94%

Turnover data for the fund is calculated based on the fund's fiscal-year period, which ends on July 31. Turnover data for the fund's Lipper category is calculated based on the average of the turnover of each fund in the category for its fiscal year ended during the indicated year. Fiscal years vary across funds in the Lipper category, which may limit the comparability of the fund's portfolio turnover rate to the Lipper average. Comparative data for 2004 is based on information available as of 12/31/04.

Risk comparison

As part of new initiatives to enhance disclosure, we are including a risk comparison to help you understand how your fund compares with other funds. The comparison utilizes a risk measure developed by Morningstar, an independent fund-rating agency. This risk measure is referred to as the fund's Overall Morningstar Risk.

MORNINGSTAR® RISK

Fund's Overall Morningstar Risk	**3.34**
U.S. stock fund average	**3.36**

Your fund's Overall Morningstar Risk is shown alongside that of the average fund in its broad asset class, as determined by Morningstar. The risk bar broadens the comparison by translating the fund's Overall Morningstar Risk into a percentile, which is based on the fund's ranking among all funds rated by Morningstar as of December 31, 2004. A higher Overall Morningstar Risk generally indicates that a fund's monthly returns have varied more widely.

Morningstar determines a fund's Overall Morningstar Risk by assessing variations in the fund's monthly returns — with an emphasis on downside variations — over 3-, 5-, and 10-year periods, if available. Those measures are weighted and averaged to produce the fund's Overall Morningstar Risk. The information shown is provided for the fund's class A shares only; information for other classes may vary. Overall Morningstar Risk is based on historical data and does not indicate future results. Morningstar does not purport to measure the risk associated with a current investment in a fund, either on an absolute basis or on a relative basis. Low Overall Morningstar Risk does not mean that you cannot lose money on an investment in a fund.

Terms and definitions

Total return shows how the value of the fund's shares changed over time, assuming you held the shares through the entire period and reinvested all distributions in the fund.

Net asset value (NAV) is the price, or value, of one share of a mutual fund, without a sales charge. NAVs fluctuate with market conditions. NAV is calculated by dividing the net assets of each class of shares by the number of outstanding shares in the class.

Public offering price (POP) is the price of a mutual fund share plus the maximum sales charge levied at the time of purchase. POP performance figures shown here assume the 5.25% maximum sales charge for class A shares and 3.50% for class M shares.

Contingent deferred sales charge (CDSC) is a charge applied at the time of the redemption of class B or C shares and assumes redemption at the end of the period. Your fund's class B CDSC declines from a 5% maximum during the first year to 1% during the sixth year. After the sixth year, the CDSC no longer applies. The CDSC for class C shares is 1% for one year after purchase.

Class A shares are generally subject to an initial sales charge and no sales charge on redemption (except on certain redemptions of shares bought without an initial sales charge).

Class B shares may be subject to a sales charge upon redemption.

Class C shares are not subject to an initial sales charge and are subject to a contingent deferred sales charge only if the shares are redeemed during the first year.

Class M shares have a lower initial sales charge and a higher 12b-1 fee than class A shares and no sales charge on redemption (except on certain redemptions of shares bought without an initial sales charge).

Class R shares are not subject to an initial sales charge or CDSC and are available only to certain defined contribution plans.

Comparative indexes

JP Morgan Global High Yield Index is an unmanaged index of global high-yield fixed-income securities.

Lehman Aggregate Bond Index is an unmanaged index of U.S. investment-grade fixed-income securities.

Lehman Government Bond Index is an unmanaged index of U.S. Treasury and agency securities.

Morgan Stanley Capital International (MSCI) EAFE Index is an unmanaged index of equity securities from developed countries in Western Europe, the Far East, and Australasia.

Russell 1000 Growth Index is an unmanaged index of those companies in the large-cap Russell 1000 Index chosen for their growth orientation.

Russell 2000 Index is an unmanaged index of the 2,000 smallest companies in the Russell 3000 Index.

S&P 500 Index is an unmanaged index of common stock performance.

Indexes assume reinvestment of all distributions and do not account for fees. Securities and performance of a fund and an index will differ. You cannot invest directly in an index.

Lipper is a third-party industry ranking entity that ranks funds (without sales charges) with similar current investment styles or objectives as determined by Lipper. Lipper category averages reflect performance trends for funds within a category and are based on results at net asset value.

Trustee approval of management contract

General conclusions

The Board of Trustees of the Putnam funds oversees the management of each fund and, as required by law, determines annually whether to approve the continuance of each fund's management contract with Putnam Management. In this regard the Board of Trustees, with the assistance of its Contract Committee consisting solely of Independent Trustees, requests and evaluates all information it deems reasonably necessary in the circumstances. Over the course of several months beginning in March and ending in June of 2004, the Contract Committee reviewed the information provided by Putnam Management and other information developed with the assistance of the Board's independent counsel and independent staff. The Contract Committee reviewed and discussed key aspects of this information with all of the Independent Trustees. Upon completion of this review, the Contract Committee recommended and the Independent Trustees approved the continuance of your fund's contract, effective July 1, 2004.

This approval was based on the following conclusions:

- That the fee schedule currently in effect for your fund represents reasonable compensation in light of the nature and quality of the services being provided to the fund, the fees paid by competitive funds and the costs incurred by Putnam Management in providing such service, and
- That such fee schedule represents an appropriate sharing between fund shareholders and Putnam Management of such economies of scale as may exist in the management of the fund at current asset levels.

These conclusions were based on a comprehensive consideration of all information provided to the Trustees and were not the result of any single factor. Some of the factors that figured particularly in the Trustees' deliberations are described below.

Model fee schedules and categories; total expenses

The Trustees, working in cooperation with Putnam Management, have developed and implemented a series of model fee schedules for the Putnam funds designed to ensure that each fund's management fee is consistent with the fees for similar funds in the Putnam complex and compares favorably with fees paid by competitive funds sponsored by other advisors. The Trustees reviewed the model fee schedule currently in effect for the fund, including fee levels and breakpoints, and the assignment of the fund to a particular fee category under this structure. The Trustees also reviewed

comparative fee and expense information for competitive funds. The Trustees concluded that no changes should be made in the fund's current fee schedule at this time. The Trustees noted that expense ratios for a number of Putnam funds had been increasing recently as a result of declining net assets and the natural operation of fee breakpoints. They noted that such expense ratio increases were currently being controlled by expense limitations implemented in January 2004. They also noted that the competitive landscape regarding mutual fund fees may be changing as a result of fee reductions accepted by various other fund groups in connection with recent regulatory settlements and greater focus on fees and expenses in the mutual fund industry generally. The Trustees indicated an intention to monitor these developments closely.

Economies of scale

As noted above, the Trustees concluded that the fee schedule currently in effect for your fund represents an appropriate sharing of economies of scale at current asset levels. The Trustees indicated their intention to continue their ongoing consideration of economies of scale and in particular to consider further the possible operation of such economies in the event that a significant recovery in the equity markets or net fund sales were to raise asset levels substantially above current levels. In this regard, the Trustees noted that they had reviewed data relating to the substantial increase in asset levels of the Putnam funds that occurred during the years leading up to the market peak in 2000, the subsequent decline in assets and the resulting impact on revenues and expenses of Putnam Management. The Trustees also noted that recent declines in net assets in many Putnam funds, together with significant changes in the cost structure of Putnam Management have altered the economics of Putnam Management's business in significant ways. The Trustees concluded that they would monitor these changes carefully and evaluate the resulting impact on Putnam Management's economics and the sharing of economies of scale between the parties.

Investment performance

The quality of the investment process provided by Putnam Management represented a major factor in the Trustees' evaluation of the quality of services provided by Putnam Management under the Management Contracts. The Trustees recognized that a high quality investment process — as measured by the experience and skills of the individuals assigned to the management of fund portfolios, the resources made available to such personnel, and in general the ability of Putnam Management to attract and retain high-quality personnel — does not guarantee favorable investment results for every fund in every time period. The Trustees considered the investment performance of each fund over multiple time periods and considered information comparing the fund's performance with various benchmarks and with the performance of competitive funds. The Trustees noted the satisfactory investment performance of many Putnam funds.

They also noted the disappointing investment performance of certain funds in recent years and continued to discuss with senior management of Putnam Management the factors contributing to such under-performance and actions being taken to improve performance. The Trustees recognized that, in recent years, Putnam Management has made significant changes in its investment personnel and processes and in the fund product line in an effort to address areas of underperformance. The Trustees indicated their intention to continue to monitor performance trends to assess the effectiveness of these changes and to evaluate whether additional remedial changes are warranted. As a general matter, the Trustees concluded that consultation between the Trustees and Putnam Management represents the most effective way to address investment performance problems. The Trustees believe that investors in the Putnam funds and their financial advisors have, as a general matter, effectively placed their trust in the Putnam organization, under the supervision of the funds' Trustees, to make appropriate decisions regarding the management of the funds. The Trustees believe that the termination of the Management Contract and engagement of a new investment adviser for underperforming funds, with all the attendant disruptions, would not serve the interests of fund shareholders at this time and would not necessarily provide any greater assurance of improved investment performance.

Brokerage and soft-dollar allocations; other benefits

The Trustees considered various potential benefits that Putnam Management may receive in connection with the services it provides under the Management Contract with your fund. These include principally benefits related to brokerage and soft-dollar allocations, which pertain mainly to funds investing in equity securities. The Trustees believe that soft-dollar credits and other potential benefits associated with the allocation of fund brokerage represent assets of the funds that should be used for the benefit of fund shareholders. The Trustees noted recent trends in the allocation of fund brokerage, including commission costs, the allocation of brokerage to firms that provide research services to Putnam Management, and the sources and application of available soft-dollar credits. Effective December 31, 2003, reflecting a decision made by the Trustees earlier that year, Putnam Management ceased allocating brokerage in connection with the sale of fund shares. In addition, in preparing its budget for commission allocations in 2004, Putnam Management voluntarily reduced substantially the allocation of brokerage commissions to acquire research services from third-party service providers. In light of evolving best practices in the mutual fund industry, the Trustees concluded that this practice should be further curtailed and possibly eliminated in the near future. The Trustees indicated that they would continue to monitor the allocation of the funds' brokerage to ensure that the principle of "best price and execution" remains paramount in the portfolio trading process.

Comparison of retail and institutional fee schedules

The information examined by the Trustees as part of the annual contract reviews included information regarding fees charged by Putnam Management and its affiliates to institutional clients such as defined benefit pension plans and college endowments. This information included comparison of such fees with fees charged to the Putnam funds, as well as a detailed assessment of the differences in the services provided to these two types of clients. The Trustees devoted special attention to these issues and reviewed recent articles by critics of mutual fund fees, articles by the ICI defending such fee differences, and relevant guidance provided by decisions of the courts. The Trustees observed, in this regard, that the differences in fee rates between institutional clients and mutual funds are by no means uniform when examined by individual asset sectors, suggesting that differences in the pricing of investment management services to these types of clients reflects to a substantial degree historical competitive forces operating in separate market places. In reaching their conclusions, the Trustees considered the fact that fee rates across all asset sectors are higher on average for mutual funds than for institutional clients, and also considered the differences between the services that Putnam provides to the Putnam funds and those that it provides to institutional clients of the firm.

Settlement of regulatory charges related to market timing

Finally, in reaching their conclusions, the Trustees considered all matters pertinent to the administrative charges filed against Putnam Management by the SEC and the Commonwealth of Massachusetts in October 2003 relating to market timing, the firm's settlement of those charges, and the conclusions and recommendations of the Trustees' Audit and Pricing Committee based on its review of these matters. The Trustees considered the actions taken by the owner of Putnam Management and its new senior management to terminate or discipline the individuals involved, to implement new compliance systems, to indemnify the funds against all costs and liabilities related to these matters, and otherwise to ensure that the interests of the funds and their shareholders are fully protected. The Trustees noted that, in addition to the settlements of the regulatory charges which will provide comprehensive restitution for any losses suffered by shareholders, the new senior management of Putnam Management has moved aggressively to control expense ratios of funds affected by market timing, to reduce charges to new investors, to improve disclosure of fees and expenses, and to emphasize the paramount role of investment performance in achieving shareholders' investment goals.

Other information for shareholders

A note about duplicate mailings

In response to investors' requests, the SEC has modified mailing regulations for proxy statements, semiannual and annual reports, and prospectuses. Putnam is now able to send a single copy of these materials to customers who share the same address. This change will automatically apply to all shareholders except those who notify us. If you would prefer to receive your own copy, please call Putnam at 1-800-225-1581.

Proxy voting

Putnam is committed to managing our mutual funds in the best interests of our shareholders. The Putnam funds' proxy voting guidelines and procedures, as well as information regarding how your fund voted proxies relating to portfolio securities during the 12-month period ended June 30, 2004, are available on the Putnam Individual Investor Web site, www.putnaminvestments.com/individual, and on the SEC's Web site, www.sec.gov. If you have questions about finding forms on the SEC's Web site, you may call the SEC at 1-800-SEC-0330. You may also obtain the Putnam funds' proxy voting guidelines and procedures at no charge by calling Putnam's Shareholder Services at 1-800-225-1581.

Fund portfolio holdings

For periods ending on or after July 9, 2004, the fund will file a complete schedule of its portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. Shareholders may obtain the fund's Forms N-Q on the SEC's Web site at www.sec.gov. In addition, the fund's Forms N-Q may be reviewed and copied at the SEC's public reference room in Washington, D.C. You may call the SEC at 1-800-SEC-0330 for information about the SEC's Web site or the operation of the public reference room.

A guide to the financial statements

These sections of the report, as well as the accompanying Notes, constitute the fund's financial statements.

The fund's portfolio lists all the fund's investments and their values as of the last day of the reporting period. Holdings are organized by asset type and industry sector, country, or state to show areas of concentration and diversification.

Statement of assets and liabilities shows how the fund's net assets and share price are determined. All investment and noninvestment assets are added together. Any unpaid expenses and other liabilities are subtracted from this total. The result is divided by the number of shares to determine the net asset value per share, which is calculated separately for each class of shares. (For funds with preferred shares, the amount subtracted from total assets includes the net assets allocated to remarketed preferred shares.)

Statement of operations shows the fund's net investment gain or loss. This is done by first adding up all the fund's earnings — from dividends and interest income — and subtracting its operating expenses to determine net investment income (or loss). Then, any net gain or loss the fund realized on the sales of its holdings — as well as any unrealized gains or losses over the period — is added to or subtracted from the net investment result to determine the fund's net gain or loss for the fiscal period.

Statement of changes in net assets shows how the fund's net assets were affected by the fund's net investment gain or loss, by distributions to shareholders, and by changes in the number of the fund's shares. It lists distributions and their sources (net investment income or realized capital gains) over the current reporting period and the most recent fiscal year-end. The distributions listed here may not match the sources listed in the Statement of operations because the distributions are determined on a tax basis and may be paid in a different period from the one in which they were earned.

Financial highlights provide an overview of the fund's investment results, per-share distributions, expense ratios, net investment income ratios, and portfolio turnover in one summary table, reflecting the five most recent reporting periods. In a semiannual report, the highlight table also includes the current reporting period. For open-end funds, a separate table is provided for each share class.

The fund's portfolio

January 31, 2005 (Unaudited)

Common stocks (100.7%) *

Number of shares		Value
Aerospace and Defense (4.5%)		
5,969,300	Boeing Co. (The)	$ 302,046,580
67,900	General Dynamics Corp.	7,010,675
497,200	L-3 Communications Holdings, Inc.	35,505,052
910,500	Lockheed Martin Corp.	52,636,005
1,621,600	United Technologies Corp. (S)	163,262,688
		560,461,000
Banking (2.5%)		
960,051	Commerce Bancorp, Inc. (S)	55,241,335
1,018,300	Doral Financial Corp. (S)	44,041,475
3,029,800	U.S. Bancorp	91,045,490
1,978,900	Wells Fargo & Co. (S)	121,306,570
		311,634,870
Basic Materials (—%)		
104,300	Vulcan Materials Co.	**5,890,864**
Beverage (0.6%)		
477,400	Pepsi Bottling Group, Inc. (The) (S)	13,056,890
1,189,100	PepsiCo, Inc.	63,854,670
		76,911,560
Biotechnology (3.1%)		
4,045,400	Amgen, Inc. † (S)	251,785,696
791,900	Biogen Idec, Inc. † (S)	51,441,824
928,300	Genzyme Corp. † (S)	54,036,343
973,300	Gilead Sciences, Inc. †	32,216,230
		389,480,093
Building Materials (0.9%)		
2,963,800	Masco Corp.	**109,067,840**
Commercial and Consumer Services (2.6%)		
2,037,600	eBay, Inc. † (S)	166,064,400
4,707,200	Yahoo!, Inc. †	165,740,512
		331,804,912
Communications Equipment (5.7%)		
21,744,900	Cisco Systems, Inc. †	392,277,996
384,000	Harris Corp.	24,871,680
7,946,400	Qualcomm, Inc.	295,923,936
		713,073,612

Common stocks (100.7%)* Number of shares		Value
Computers (4.9%)		
8,141,700	Dell, Inc. †	$ 339,997,392
10,941,400	EMC Corp. †	143,332,340
1,023,000	IBM Corp.	95,568,660
515,800	Lexmark International, Inc. † (S)	42,991,930
		621,890,322
Conglomerates (0.2%)		
463,000	Danaher Corp. (S)	**25,409,440**
Consumer Finance (2.4%)		
2,292,600	Capital One Financial Corp. (S)	179,464,728
1,223,700	Countrywide Financial Corp. (S)	45,276,900
2,873,200	MBNA Corp.	76,369,656
		301,111,284
Consumer Goods (3.0%)		
2,492,200	Avon Products, Inc.	105,220,684
694,600	Estee Lauder Cos., Inc. (The) Class A	31,354,244
2,631,300	Gillette Co. (The)	133,459,536
1,920,400	Procter & Gamble Co. (The)	102,222,892
		372,257,356
Consumer Staples (0.5%)		
3,430,300	Time Warner, Inc. †	**61,745,400**
Containers (—%)		
137,000	Ball Corp.	**5,852,640**
Electric Utilities (0.8%)		
3,117,500	Edison International (S)	**101,225,225**
Electronics (5.6%)		
1,599,700	Advanced Micro Devices, Inc. † (S)	25,275,260
4,151,100	Freescale Semiconductor, Inc. Class B †	72,519,717
15,660,400	Intel Corp. (S)	351,575,980
9,519,900	Motorola, Inc. (S)	149,843,226
1,383,000	SanDisk Corp. † (S)	34,160,100
1,827,300	Storage Technology Corp. † (S)	57,541,677
350,500	Texas Instruments, Inc. (S)	8,135,105
		699,051,065
Entertainment (0.6%)		
1,456,000	Royal Caribbean Cruises, Ltd. (Liberia)	**77,168,000**
Financial (2.3%)		
2,746,600	Fannie Mae	177,375,428
1,209,100	Lehman Brothers Holdings, Inc.	110,257,829
		287,633,257
Gaming & Lottery (0.3%)		
623,000	Harrah's Entertainment, Inc. (S)	**39,398,520**

Common stocks (100.7%)*

Number of shares		Value
Health Care Services (6.0%)		
831,900	AmerisourceBergen Corp.	$ 48,483,132
393,200	Cardinal Health, Inc.	22,145,024
602,000	Community Health Systems, Inc. † (S)	17,445,960
1,322,400	Coventry Health Care, Inc. † (S)	75,244,560
855,400	Express Scripts, Inc. †	63,462,126
880,800	Manor Care, Inc. (S)	30,431,640
1,571,900	Medco Health Solutions, Inc. †	66,915,783
756,700	PacifiCare Health Systems, Inc. † (S)	46,559,751
486,000	Sierra Health Services, Inc. † (S)	26,695,980
2,991,200	UnitedHealth Group, Inc. (S)	265,917,680
297,100	Universal Health Services, Inc. Class B (S)	12,787,184
501,200	WellChoice, Inc. †	26,678,876
464,800	WellPoint, Inc. †	56,473,200
		759,240,896
Homebuilding (1.3%)		
1,842,400	Lennar Corp. (S)	104,040,328
74,142	NVR, Inc. † (S)	58,664,858
		162,705,186
Household Furniture and Appliances (0.6%)		
1,053,700	Whirlpool Corp.	**71,925,562**
Insurance (1.9%)		
2,337,300	American International Group, Inc.	154,939,617
1,014,300	Fidelity National Financial, Inc.	44,446,626
485,400	Progressive Corp. (The)	40,603,710
		239,989,953
Investment Banking/Brokerage (0.2%)		
360,600	Legg Mason, Inc. (S)	**27,849,138**
Lodging/Tourism (0.7%)		
2,862,400	Cendant Corp.	67,409,520
472,856	Las Vegas Sands Corp. † (S)	20,521,950
		87,931,470
Media (0.5%)		
2,386,200	Walt Disney Co. (The)	**68,316,906**
Medical Technology (2.8%)		
913,600	Becton, Dickinson and Co.	51,755,440
438,100	Charles River Laboratories International, Inc. †	20,757,178
1,955,600	Medtronic, Inc. (S)	102,649,444
147,500	Respironics, Inc. †	8,540,250
3,161,800	St. Jude Medical, Inc. †	124,195,504
1,334,000	Varian Medical Systems, Inc. †	50,331,820
		358,229,636

Common stocks (100.7%)*

Number of shares		Value
Oil & Gas (3.5%)		
2,466,400	Amerada Hess Corp.	$ 213,713,560
886,600	Anadarko Petroleum Corp.	58,701,786
411,100	Apache Corp.	22,372,062
918,200	Marathon Oil Corp. (S)	35,561,886
2,198,200	Valero Energy Corp.	114,372,346
		444,721,640
Pharmaceuticals (12.1%)		
3,851,000	Abbott Laboratories	173,372,020
2,213,800	Caremark Rx, Inc. † (S)	86,559,580
11,618,400	Johnson & Johnson	751,710,479
15,490,700	Pfizer, Inc.	374,255,312
3,637,000	Wyeth	144,134,310
		1,530,031,701
Photography/Imaging (0.5%)		
4,228,500	Xerox Corp. † (S)	**67,148,580**
Restaurants (1.9%)		
1,512,200	Darden Restaurants, Inc.	44,700,632
1,361,000	McDonald's Corp. (S)	44,082,790
1,478,500	Starbucks Corp. † (S)	79,839,000
1,429,800	Yum! Brands, Inc.	66,271,230
		234,893,652
Retail (13.7%)		
828,500	Abercrombie & Fitch Co. Class A	41,524,420
325,600	AutoZone, Inc. † (S)	29,059,800
3,163,200	Best Buy Co., Inc. (S)	170,148,528
421,800	Coach, Inc. † (S)	23,662,980
1,894,500	Costco Wholesale Corp. (S)	89,553,015
9,016,700	Home Depot, Inc. (The)	372,029,042
1,846,200	Kohl's Corp. † (S)	86,789,862
4,437,700	Lowe's Cos., Inc. (S)	252,904,523
2,603,000	Michaels Stores, Inc.	80,042,250
855,400	Nordstrom, Inc.	41,273,050
5,154,600	Staples, Inc. (S)	168,761,604
710,300	Timberland Co. (The) Class A † (S)	46,695,122
320,000	TJX Cos., Inc. (The)	8,012,800
5,899,200	Wal-Mart Stores, Inc. (S)	309,118,080
		1,719,575,076
Schools (0.4%)		
667,800	Apollo Group, Inc. Class A †	**52,215,282**
Shipping (0.8%)		
554,700	FedEx Corp.	53,057,055
1,041,600	J. B. Hunt Transport Services, Inc.	45,955,392
		99,012,447

Common stocks (100.7%)*

Number of shares		Value
Software (9.2%)		
3,262,000	Adobe Systems, Inc. (S)	$ 185,607,800
2,267,700	Autodesk, Inc.	66,602,349
18,803	Computer Associates International, Inc. (S)	511,254
21,486,800	Microsoft Corp.	564,673,104
16,293,300	Oracle Corp. † (S)	224,358,741
4,934,600	Symantec Corp. †	115,222,910
		1,156,976,158
Technology Services (1.0%)		
3,367,800	Accenture, Ltd. Class A (Bermuda) † (S)	87,731,190
892,400	Fiserv, Inc. † (S)	34,134,300
		121,865,490
Telecommunications (0.4%)		
1,021,000	CenturyTel, Inc. (S)	33,284,600
620,000	Sprint Corp. (FON Group) (S)	14,774,600
		48,059,200
Textiles (1.1%)		
1,543,000	Liz Claiborne, Inc. (S)	64,713,420
896,500	NIKE, Inc.	77,663,795
		142,377,215
Tobacco (1.6%)		
3,082,200	Altria Group, Inc.	**196,736,826**
	Total Common stocks (cost $11,708,126,005)	**$12,680,869,274**

Short-term investments (2.4%) *

Principal amount		Value
$ 300,733,188	Short-term investments held as collateral for loaned securities with yields ranging from 2.29% to 2.65% and due dates ranging from February 1, 2005 to March 22, 2005 (d)	$ 300,582,405
3,246,106	Putnam Prime Money Market Fund (e)	3,246,106
	Total Short-term Investments (cost $303,828,511)	**$ 303,828,511**
	Total Investments (cost $12,011,954,516)	**$12,984,697,785**

* Percentages indicated are based on net assets of $12,593,177,805.

† Non-income-producing security.

(S) Securities on loan, in part or in entirety, at January 31, 2005.

(d) See Note 1 to the financial statements.

(e) See Note 5 to the financial statements regarding investments in Putnam Prime Money Market Fund.

The accompanying notes are an integral part of these financial statements.